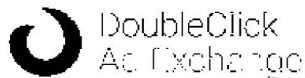


# **EXHIBIT 204**

## **REDACTED**

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## Dynamic Revenue Share

**UPDATE (December, 2019):** DRS was built to adjust a publisher's rev. share relative to the legacy AdX Pricing Rule. With the shift to Unified Pricing rules (and the deprecation of legacy AdX Pricing Rule), DRS was shut off pending necessary work to redesign the feature to work now that 100% of traffic has shifted to 1PA/UPR. That design work is underway, but launch timing is TBD. No action needed at this stage but please do not pitch the feature proactively.

**IMPORTANT:** We should only talk about the opt out and increasing or decreasing revenue share per query in order to maximize revenue - *DRS v1 and v2 are not external names, and we do not distinguish between versions externally.* The [FAQ below](#) are internal only both for buy- and sell-side, and should NOT be shared externally.

Go to [go/drs-optouts](#) if your publisher opted out of DRS to provide feedback.

**UPDATE (July 30, 2018):** We launched a new DRS model (tDRS). With tDRS we determine Google's revenue share before seeing buyer bids, and auctions will no longer clear below the floor in the RTB callout. We believe this change will make DRS more sustainable and better for buyers and publishers in the long run. Externally, we should not refer to DRS v1 / DRS v2 / tDRS; we should only refer to the feature as revenue share based optimizations

**Authors:** [REDACTED]

**Created:** 05/13/2016

**Last Updated:** 01/29/2020

**Commercialization Meeting:** DRX Indirect Commercialization

### Overview section

<b>Feature description</b>	DRS is an optimization feature that increases publisher and Google revenue by dynamically changing the AdX sell-side revenue share so that more auctions end with a winning buyer. V1 decreased Google's revenue share to grow revenue overall. V2 adjusts Google's revenue share more aggressively, by decreasing and increasing the Google share on different impressions, to increase the number of AdX auctions with a winning buyer while always achieving the publisher's contracted revenue share (typically 80%) or higher for each billing period.
<b>Value Proposition</b>	DRS increases overall pub revenue in an automated way.

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<b>Target Group</b>	All AdX publishers. AdSense pubs are not included.
<b>Status</b>	LAUNCHED-PAUSED (DRS was paused in Q4 2019 to allow for the shift of all traffic to first price auction and Unified Pricing Rules. We are actively investigating designs for various per-query-optimizations to work within our new first price auction and unified pricing rules.
<b>Release Dates</b>	Feature flag will be launched in the AdX UI: <b>June 14th, 2016 [DONE]</b> Feature flag will start taking effect: <b>August 1st, 2016 [DONE]</b>
<b>Complexity</b>	B+
<b>Project Contacts</b>	CL: [REDACTED] GSL: [REDACTED] PM: [REDACTED] Sales: [REDACTED] [REDACTED] PTM: [REDACTED] Documentation: [REDACTED] Marketing: [REDACTED]

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#### 10. FAQ (OK to share externally in reactive & verbal communication, read closely for questions marked as INTERNAL ONLY)

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## 0. Functional Signoff

Signoffs from cross-functional representatives confirming readiness of this comms doc for the upcoming launch phase.

<b>Functional Area</b>	<b>Beta</b>	<b>General Availability</b>
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Services - Signoff	Y/N	Y/N
Sales - Signoff	Y/N	Y/N
Marketing - Signoff	Y/N	Y/N
PM / Eng - Signoff	Y/N	Y/N

<b>Value Proposition, Publisher Impact &amp; Benefits</b>	<b>Owner: Marketing, PM</b>
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### Background:

Our goal has always been to help publishers and advertisers thrive and create sustainable businesses. For many years Google has used optimization and machine learning techniques to improve the performance of our ads products, and now we're happy to share that we've been extending those techniques to DoubleClick Ad Exchange customers.

As programmatic buying has grown publishers have created complex yield management setups with cascading price floors, waterfalls, and even implementations that offer the same query repeatedly to multiple buyers just to find out the price they could pay. This can lead to lost revenue, increased user latency, and decreased advertiser performance. We think there are better ways to increase publisher yield.

By using machine learning optimizations we plan to help publishers reduce the complexity of their ad technology setups by helping them make the most revenue possible from DoubleClick Ad Exchange.

### 1. Value Proposition

- Revenue share based optimizations help publishers make more revenue in the Ad Exchange Open Auction by adjusting Google's revenue share up or down to increase the volume of impressions with a winning buyer while always achieving the publisher's contracted revenue share (typically 80%) or higher for each billing period.
- Increasing the volume of impressions transacted in Ad Exchange will help publishers make more revenue and reduce the need for complicated technology setups.
- This new optimization technique will adjust Google's revenue share on a per query basis, but we will maintain your contracted revenue or end with a reduction in our revenue share during each billing period.
- You may choose to opt-out of revenue share based optimizations in the AdX UI. If you opt-out we will apply your contracted revenue share to every Open Auction query and you will not benefit from the increased revenue from this optimization

### 2. Communication Schedule

#### Sell-side

- Week of May 30th: Sales trainings
- June 13th, 2016: Launch announcement in the [Help center release notes](#).
- June 14th, 2016: DRS feature toggle expected to go live in the UI. We will display a butter bar in the AdX UI of all AdX publishers to inform them about the new functionality (butter bar will be

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displayed until August 1st). The check box in the UI will be unchecked by default meaning DRS is active by default, but it will not be doing anything yet. Pubs have until August 1st, 2016 to opt out of DRS (which requires them to check the box in the UI) which will also opt them out of DRS v1.

- **August 1st, 2016:** The toggle will start going into effect. DRS v2 will start working for any publisher who has not opted out. Publishers can continue to opt out via the UI even after this date by checking the box in the UI.

#### Buy-side

- No outreach to buyers is planned, but internal teams will be informed about DRS, and questions can be handled reactively.

#### Product Overview

Owner: PM

### 3. Description and Features (INTERNAL ONLY)

- DRS v2 changes the AdX revenue share per-query in order to maximize match rate while maintaining a Google share of 20% (or the Open Auction contracted share). DRS v1 reduced Google's share while increasing revenue and profit, v2 brings the share back to standard for a further profit and slight revenue increase. With tDRS, we decide on Google's revenue share before seeing buyer bids.
- A buyer that submits a bid that would not win if the full Google share was subtracted, will be given the chance to win with DRS.
  - For example, with a 20% revenue share to Google, a \$1 bid can clear a \$0.8 publisher floor. With DRS, a bid of \$0.9 can be cleared at an 11% share.
- The result is that on some queries we close at a more favorable price for the buyer. This is then offset by closing at a more favorable price for the publisher on other queries.
- Buyers are never charged more than their bid, sellers are always paid at least their reserve
- DRS v2 applies to all of AdX and has nothing to do with EDA or backfill:
  - DFP + AdX pubs
  - AdX only pubs
  - AdSense publishers are **not** included
- DRS v2 applies only to Open Auction queries, deals revenue shares are not affected and bids on deals cannot benefit from DRS v2.

Commented [1]: + [REDACTED] Hi [REDACTED] Does DRS v2 have any influence on DA against price priority and/or HB line items in DFP? Thanks!  
Assigned to [REDACTED]

### 4. Feature/Product Release Schedule

- Target GA Date: June 2016
  - GA features: See section 3
  - GA success metric:
    - Full adoption of DRS v2, will bring about \$20m in incremental revenue annually, and increase Google profit by about \$18m.
    - Launching DRS v2, with publisher opt-in will allow further DRS launches (eg. DRS... v3!) with revenue potential of +>\$170m.

#### Sales & Services Overview

Owner: gTech, Sales (RPS)

### 5. Feature Enablement - General Availability

- Any publisher will see the toggle in their UI starting June 14th, 2016. Publishers will be

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**opted in by default** (meaning the check box in the UI will be unchecked). The toggle will live on the AdX admin page.

- Starting 08/01/2016, the toggle will start affecting revenue and publishers will have 2 options:
  - Publisher opts out: DRS v1 will be deactivated and DRS v2 will not take effect, the publisher might see a decrease in revenue.
  - Publisher remains opted in: DRS v1 + DRS v2 will take effect and increase publisher revenue.

## 6. Escalation Process / Services Support

- Escalation process:
  - Check this [internal dashboard](#). If revenue lift is negative over the course of 1 week, please use [\[REDACTED\]](#) for any escalations

Legal Overview

Owner: Legal

## 7. Legal & Pricing

**Redacted - Privilege**

Resources

Owner: Commercialization Lead

## 8. External talking points (verbal & reactive only)

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